Pepsico's Restaurant in India

1352. SHRI GURUDAS DAS GUPTA :
SHRI N. E. BALARAM :

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether it is a fact that Government have approved a proposal for establishing a chain restaurants in India to be fully owned by a subsidiary of the US multinational Pepsico ; and

(b) if so, the details thereof ?

MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) and (b) Two subsidiaries of Pepsico Inc namely Pizza Hut International and Kentacky Fried Chicken (KFC) have been given permission to establish operations in India for setting up of restaurants through 100% owned companies. The details of the proposal in each case are as follows :—

1. They plan to invest US 40 million over a period of 7 years including foreign exchange component of US 20 million.

2. The outflow of foreign exchange is stated to be in the form of equipment imports, certain raw-material imports and technical service fees. According to their projections (not specified) their restaurant operations will either result in a net foreign exchange inflow into India or in foreign exchange neutrality.

3. The proposal envisages imports of equipment of the order of US $ 7.5 million and technical service fees @5% of the total system sales net of taxes over the period of 7 years and repatriation of dividends/profits after the initial period of 7 years.

4. The technical service fees @5% will be charged to support the development and dissemination of fast food practices and to provide for ongoing assistance and input at every stage of restaurant development.

5. The restaurants are to be supported and developed by the subsidiary in the near terms with potential of having joint ventures between the subsidiary and Indian entrepreneurs and also to have Indian franchises in later years.

Building of new airports in the country

1353. SHRI RAJUBHAI A. PARMAR : Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether it is a fact that new airports are required to be built at several places in the country for the promotion of civil aviation and tourism; if so, what are the details of Government's airport development policy by the year 2001 including projected financial outlay for each year;

(b) what was the number of airports and the authorised air-strips in the country, including names of their locations in the years 1950, 1980, 1990 and at present and what are the locations where new airports and air-strips are proposed to be built during the years 1994, 1995, 1996 and 1997; and

(c) what are the details of the airport expansion programmes at New Delhi, Bombay, Calcutta, Madras, Bangalore, Hyderabad, Srinagar, Jammu, Jaipur, Agra, Bhopal, Varanasi and Pune ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) to (c) The information is being collected and will be laid on the Table of the House.

Proposal for tourism projects in the country

1354. SHRI IQBAL SINGH : Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether Government propose to expand tourism projects in the country, particularly in Punjab;

(b) if so, the details thereof, Statewise, from 1992 till date; and

(c) the allocations made for the purpose during the current year ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) Yes, Sir.

(b) and (c) A statement is appended indicating sanctions issued during 1992-93 and 1993-94 (till date).